

*Canada Pension Plan (No. 2)*

will naturally wish to examine these proposed reforms thoroughly, and with a great deal of care. This is as it should be and as I would wish it to be.

I agree with the minister that the amendments to the Canada Pension Plan will surely have an impact on private pension plans. In my speech of February 22, I made some suggestions in terms of creating, or at least of considering with provincial ministers the advisability of creating a mechanism to make pension credits universally portable.

● (2110)

In other words, Canadians 45 years of age or over are now experiencing difficulties finding employment when, for one reason or another, they lose their job, especially because of the pension fund but quite often also for some other motives. If we had a universally transferable plan, companies would not have to pay extra money when they hire a new employee because he would bring his retirement fund with him as is the case under the Canada Pension Plan.

Obviously, this is not an easy problem. I also suggested the establishment of a central agency. Some unions have done so and all employee retirement funds are brought there. When a worker takes another job but remains in the same union, his fund follows him since it is in this central agency. Maybe it would also be possible for this country to establish a central fund that would hold the credit on behalf of all concerns. At this stage, I suggest the federal minister should perhaps urge provincial governments to standardize their laws in that field as is the case now with the Canada Pension Plan. We would thus avoid what happens whenever an employer dips into funds already contributed by employees to build up a pension fund for themselves. Besides, in his very eloquent speech of October 29, the minister himself said as recorded on page 7326 of *Hansard*:

... the differences which had developed early this year between the Canada Pension Plan and the Quebec Pension Plan with respect to contributions, retirement pensions, and the escalation of benefits will be removed for 1974 and future years. In other words, employers and employees in all provinces will, once again, be subject to identical CPP-QPP contributions, and citizens in Quebec and the rest of Canada will receive virtually the same retirement pensions, which in turn will be escalated in a common manner to take account of changes in the cost of living.

Clearly, this will contribute to the mobility of workers between all parts of Canada.

And I think such standardization should also be reflected in private pension plans across this country, which is very important since those private pension plans represent just the same an economic value of \$12 billion, which is a very significant amount when it comes to making investments and, if I remember rightly, it is the third most important source of investment funds in this country.

Mr. Speaker, I obviously do not want this debate to go on any longer, and I hope that hon. members will hurry and finish the debate on second reading of this bill so that it may be passed as soon as possible in the best interests of the Canadian people and especially the 500,000 recipients who are in dire need of their money.

[Mr. Leblanc (Laurier).]

[English]

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I appreciate the opportunity of participating in this debate. May I say at the outset that I concur in what the hon. member for Hillsborough (Mr. Macquarrie) said when he indicated our support for Bill C-224 presently before the House. I should like to add my hope that the bill is given quick passage.

During the past few months it has become apparent that there is consensus among the provinces regarding the present amendments to the Canada Pension Plan. I think typical of the provincial response was that enunciated by the minister of social services of Ontario, the Hon. Rene Brunelle, on October 11, 1973. He described three basic objectives which he felt were important to the social services program in the province of Ontario. The first of these three objectives was the need for a substantial increase in benefits. He suggested the Canada Pension Plan benefits should be increased substantially and significantly to bear a relationship that would be realistic to the needs of pensioners as living costs and wage levels increase.

The second objective was the need for immediate action in this entire area, and he indicated that steps should be taken immediately to reorient the Canada Pension Plan to more adequate pension levels. The third objective was that of parallelism. He stated that in order to rebuild national pension harmony, the third objective should be to re-establish parallelism between the Canada Pension Plan and the Quebec Pension Plan. This objective, of course, should be sought in line with, and not at the expense of, the first two objectives.

The present amendments are in keeping, in part, with these specific objectives, although of course Ontario proposed a higher earnings ceiling as has been indicated by other hon. members. I should like to note in passing that the Ontario proposals call for the elimination of the earnings test for pensioners aged 65 to 70. In addition, the Canada Pension Plan retirement pension should be made available to people aged between 60 and 64 on a reduced basis; there should be increased benefits for widows aged 60 and over; and there should be equal treatment for men and women with respect to survivor benefits.

This is but one example of provincial consent to amend the Canada Pension Plan, and I must congratulate the minister for responding with this initial legislation. He has also indicated that further amendments will be presented to this House delineating the priorities as established by the minister and his provincial colleagues.

At the outset of the debate yesterday, the minister made reference to the working paper on social security in Canada and to his consultations with the provincial ministers of welfare, members of the Canada Pension Plan advisory committee and representatives of labour and business organizations. If I may quote from *Hansard*, as reported at page 7318 the minister said:

Six months ago last Thursday, the government tabled its working paper on social security in Canada. This signalled the start of the joint federal-provincial review of Canada's total social security system that has been suggested by the government of Canada and the provinces.